

STATE OF CALIFORNIA

JOINT AGENCY WORKSHOP

**Resources Agency
Business, Transportation & Housing Agency
California Energy Commission
California Public Utilities Commission**

Advanced Metering Infrastructure: Results and Issues

**Thursday, September 30, 2004
9:30 a.m.**

**~~Resources Agency
1416 9th Street
First Floor Auditorium~~**

**California Energy Commission
1516 9th Street
Hearing Room A
Sacramento, California**

(Wheelchair Accessible)

Purpose of the Workshop

Resources Agency Secretary Mike Chrisman, Resources Agency Deputy Secretary of Energy Joe Desmond, Secretary of Business, Transportation and Housing Agency, Sunne McPeak, CPUC President Michael Peevey, and CEC Commissioner Jackalyne Pfannenstiel, will conduct a workshop to review policy issues and the current status of advanced metering as well as results from the Statewide Pricing Pilot.

This workshop will provide consumers, stakeholders and legislative staff the most current information on advanced metering technologies and system-wide benefits available from residential and small and medium commercial customer demand response opportunities. Information from this workshop will serve to inform forthcoming decisions on advanced metering and demand response in the pending proceedings at the CEC and the CPUC.

Background

In June 2002 the CPUC and CEC opened a joint proceeding (CPUC R.02-06-001, CEC 02-Demand Response-01) to investigate potential demand response opportunities from dynamic pricing. Evidence from utilities in other jurisdictions suggests that dynamic pricing can support demand responses to temper short-term supply problems, address distribution congestion, and provide customers with viable options for controlling their electric costs. Advocates also suggest that advanced metering can provide utilities with numerous operational, customer and system-wide benefits often overlooked or undervalued in public policy forums. Opponents have expressed concern with the costs of proposed advanced metering systems.

A pilot of residential and small commercial dynamic pricing began in summer 2003 for the largest three investor-owned utilities in California.

Under the ongoing regulatory proceedings, the utilities have been directed to provide their “business case” analyses of advanced metering by October 15, 2004. Advanced metering systems are a necessary component of the development and deployment of dynamic tariffs and expanded demand response program opportunities.

Public Participation

The Public Advisers of the Public Utilities Commission and the Energy Commission provide the public assistance in participating in commission activities. Any person who wishes to address the members may do so by signing up at the start of the meeting with the Public Advisers. For further information about making public comments at this meeting, please contact the Energy Commission Public Adviser at (916) 654-4489 or (800) 822-6288 or by e-mail at pao@energy.state.ca.us; the Public Utilities Commission Public Adviser at (415) 703-2074 or by e-mail at public.advisor@cpuc.ca.gov. If you have a disability and require assistance to participate in this workshop, please contact Lou Quiroz at (916) 654-5146 at least five days in advance.

AGENDA

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| 9:30 a.m. | Introductory Comments <ul style="list-style-type: none"> ➤ Mike Chrisman, Secretary, Resources Agency ➤ Sunne McPeak, Secretary, Business, Transportation and Housing Agency ➤ Joe Desmond, Deputy Secretary of Energy, Resources Agency ➤ Michael Peevey, President, CPUC ➤ Jackalyne Pfannenstiel, Commissioner, California Energy Commission |
| TECHNICAL SESSIONS | |
| 9:50 a.m. | Advanced Metering – An Overview of System Features and Capabilities <p>Industry experts will review the status of U.S. and international utility advanced metering implementations and costs. Case studies that examine voluntary as well as mandated implementation will be presented.</p> <ul style="list-style-type: none"> ➤ Overview of the Technology ➤ System Costs and Benefits ➤ Case studies – U.S. and International Activity ➤ Q&A and Open Discussion |
| 11:00 a.m. | Results from the Statewide Pricing Pilot <p>An overview will be provided to review significant results from the utility-conducted 2,500-customer pricing pilot that began in 2003. Coordinated market research and field tests show statistically significant demand response opportunities in both the residential and small commercial customer markets.</p> <ul style="list-style-type: none"> ➤ Overview – Pilot Structure/Operation ➤ Load Impacts ➤ Customer Acceptance ➤ Q&A and Open Discussion |
| 12:15 p.m. | Lunch |

POLICY DISCUSSION

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| 1:15 p.m. | Policy Issues Key technology, cost effectiveness, public policy, legislative and other implementation issues will be identified for later open discussion. <ul style="list-style-type: none">➤ Costs and Benefits➤ Legislative Barriers➤ Rate Design/Energy Policy Barriers➤ Other |
| 1:30 p.m. | Utility Positions Representatives from PG&E, SCE, SDG&E, and municipal utilities will be provided with an opportunity to describe the status of their current efforts and summarize their perspectives on advanced metering. |
| 2:30 p.m. | Public Comment |
| 3:20 p.m. | Concluding Remarks <ul style="list-style-type: none">➤ Joe Desmond, Deputy Secretary of Energy, Resources Agency |